FINAL SYNOPSIS OF THE THESIS TITLED

"FINANCIAL LITERACY AMONG MEMBERS OF SHG's AND ECONOMIC EMPOWERMENT OF WOMEN: A STUDY IN D.K. DISTRICT"

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1. Introduction

Every individual, everyday makes important financial decisions which are crucial for financial well-being. Financial decisions depend on financial planning. Financial planning is a guide to control expenses, and increase income-earning capacity to achieve life goals. A good financial plan not only increases savings and reduces expenses but also includes wealth creation, retirement planning, children's education, and tax-saving. It contributes towards self, and economic development. It is a continuous practice that makes an individual carefully manage his/her hard-earned income and helps in creating contingency funds, retirement corpus, and managing money in the best possible manner. A successful financial plan depends on an individual's financial knowledge, and behaviour.

The term 'financial literacy' has become a very important matter discussed internationally. It is an understanding of the skills of managing money through proper budgeting, managing debts, saving, and investment. An individual needs to understand the basics of money management and other financial resources in order to avoid any form of financial distress.

'Financial literacy is a ability to make sound, and reliable decisions by understanding and educating others about money management techniques and developing the art of investing and saving', (Noctor, Stoney, and Strading, 1992)[1]. This skill guides them in taking error-free decisions. There is a lot of mis-selling happening when unscrupulous financial service provider's fraud economically untrained people selling or mentioning products which are not appropriate for them and also giving improper information about the products. There are many financial products available in the financial market about which people in developed and developing countries have very little knowledge.

Financially illiterate people make unsound decisions and may lose all their savings. Such crises may prompt suicides. "Financial education is like a preventive measure to control indebtedness", (Anderloni and Vandone, 2008)[2]. An individual in possession of money management skills will be confident to make informed, responsible, and effective financial decisions. Financial literacy gives the ability to understand how monetary operations work. This includes how someone makes, manages, invests, and expends money. "Financial literacy and education play a crucial role in financial

inclusion, inclusive growth, and sustainable prosperity", (Mukherjee, 2010)[3].

Financial literacy is acknowledged as a key competency that consumers must possess in order to succeed in the complex financial market. This is the reason, Governments all over the world are working to develop efficient means of educating people about money. People who are financially literate can comprehend what is required to lead a balanced, sustainable, moral, and responsible lifestyle. Financial literacy refers to the ability to manage finances, pay bills, borrow, and save money responsibly. Additionally, it raises awareness of retirement planning and investing, including how and why to do so.

Financial literacy is a merger of the knowledge and applications of financial skills. It also involves being aware of financial concepts and avenues that would help in making the right financial decisions at the right time. Financial literacy is an area that is given top priority in developing countries. Therefore, a push towards improving financial literacy is imperative in India.

2. Background of the study

In today's complex financial environment, Governments from all over the world are worried about raising financial literacy among their citizens. There is an increase in the availability of financial products as a result of financial market innovations and deregulations. These aspects are difficult for an average person to understand, and use/invest his/her cash efficiently to maximize wealth.

Studies around the world reveal that financial literacy among people is low in both developed and developing countries, and when it is the question of gender, literacy and financial literacy among women are low. There is a sharp gender-based difference in financial literacy. This is often a result of the educational divide among women and men. "Women are much less likely to plan and are less prepared for retirement life" (Lusardi and Olivia, 2008)[4]. A higher life span, shorter professional life with increased responsibilities, and accelerated changes in the financial market make women vulnerable. "Women encounter obstacles and hurdles that make it harder for them to plan for the future financially" (Klatt, 2009)[5]. "Cultural and political issues cause an imbalance in financial literacy, and the application of financial knowledge among women" (Sholevar and Laurence, 2020)[6].

Studies show that women are more financially illiterate as compared to men (Lusardi and Mitchell, 2008[7]; Al-Tamimi, and Kalli, 2009[8]; Bahl, 2012[9]; Potrich et al. 2016[10]; Bucher et al. 2021)[11]. A wide range of literature in this area highlights the gender gap in financial literacy all over the world. As a result, a focus on the financial education of women is critical to making financial literacy more relevant and helping citizens to achieve economic well- being. Women have high potential and are intellectually good. Education, training, and financial assistance can make women more empowered to contribute towards economic resilience and human development. The global literacy percentage of India in 2011, is 74.40% (Source: worldpopulationreview.com).[12]

3. Review of Literature

Financial literacy is given worldwide priority as it equips individuals with financial skills required to lead a hassle-free life. Making women financially literate is challenging, yet significant in empowering economic development of the nation.

In total 165 literatures were reviewed which consists of 82 international reviews and 83 national reviews. The study reviews important elements of,

- International reviews and national reviews on financial literacy in general.
- International reviews and national reviews on financial literacy among women in particular.
- Empowerment of women in international and national perspective.

Mitchell and Lusardi (2022)[13] in their study on, 'Financial literacy and financial behaviour at older ages' observe that, people who are financially literate are more likely to plan their retirement. Most people who do not plan their retirement will end up in debt and under a lot of financial stress. The study identifies the reasons why the majority of people do not have a good retirement plan. Study recommends that, older people should be given asset protection as well as protection against scams and frauds.

Gautam, Rastogi and Rawal (2022)[14] in their study on the topic, 'Study of financial literacy and its impact on rural development in India: Evidence using Panel data analysis', evaluated the contributions of financial literacy programs towards financial inclusion and rural development. Financial inclusion and rural development happen, if

Government and financial institutions provide more financial literacy programs, camps in rural areas. The study suggested that, governments should also provide good infrastructure facility in rural area.

Lee and Huruta (2022)[15] conducted study on, 'Green Microfinance and women's Empowerment: Why does financial literacy matter?', observed that, financial literacy leads to empowerment of women. Study examines the role of financial literacy as a mediating factor in association with women empowerment and green microfinance. Women can improve financial literacy through formal education and local knowledge if empowered. Study recommends that, Government must allocate funds for gender-based programs, green microfinance must be adopted to face the challenges of digital era.

Chetri and Singha (2022)[16] in their article on, 'Financial literacy- A key to women empowerment', made an attempt to understand the investment behaviour of women and impact of financial literacy on investment behaviour of women. Study classified women respondents into high financial literacy group and low financial literacy group. It was observed that investment made by women in stock market and mutual funds is low among both the groups. It suggested that an individual who is financially literate can make the best possible utilisation of available financial resources and also safeguards themselves from financial derelictions, and fake activities in the society.

Parwez and Patel (2022)[17] in their study on, 'Augmenting women empowerment: a systematic literature review on microfinance- led developmental interventions' attempted to comprehend the economic, social, psychological, and political empowerment and dis- empowerment of women as a result of microfinance interventions Women's discrimination in the society, has given birth to microfinance model which aimed specifically at empowering rural women. According to the findings of the study, microfinance, as a development model, has made a positive impact on the status of women.

Sahoo and Sahoo (2022)[18] in their study on the topic, 'A study of efficacy for empowering women through SHG', made an attempt to understand the role of education in strengthening women's SHG's in Odisha. Study opines that, educational status of an individual is the footprint of social empowerment. The main objective of the study was to find the impact on the education level of the family after joining

SHG. Study points out that, women empowerment depends on economic empowerment, social empowerment, political empowerment and educational empowerment as all these factors are inter-dependent on each other.

Khawar and Sarwar (2021)[19] conducted a cross sectional quantitative study on 'Financial literacy and financial behaviour with the mediating effect of family financial socialisation in the financial institutions of Lahore, Pakistan'. This study analysed various nuances of the relationship between financial literacy and financial behaviour. It was observed that financial literacy has a positive relationship with financial behaviour. It was also identified that, training on financial concepts would help in influencing financial behaviour of people.

Adil et al. (2021)[20] in their article on, 'How financial literacy moderate the association between behaviour biases and investment decision?' made an attempt to understand the impact of different behaviours of an individual towards their decision making among men and women. the study observes that financial literacy has significantly influenced the investment behaviour of investors.

Gichuhu and Mwangi (2021)[21] in the paper on, 'Financial behaviour and growth of women groups in Kenya- A case study of Joyful women organisation registered groups in KAJIDO County' Kenya, observed that financial literacy contributed towards progress of the women groups in terms members saving. Study mentioned that Government must also collaborate with other interested party to enhance financial literacy. It was identified that membership in SHG's have contributed towards financial literacy of women.

Mishra et al. (2021)[22] in their study on the topic, 'Factors contributing to financial literacy and financial inclusion among women in Indian SHG's, made an attempt to highlight the factors of financial literacy and financial inclusion which could be easily implemented to uplift women SHG members in India. Study revealed that selected respondents were financially literate as they were aware of most of the banking products and were also financially included. This improvement had taken place only after joining SHG's. Study opined that SHG's made a huge contribution towards empowering women with financial education.

Grandhi, Rao and V, S (2021)[23] conducted a study on the topic, 'A case study on women empowerment through self-help groups – Talluru Village of Vishakapatnam

District'. The study highlighted roles played by NGO's in promoting and nurturing SHG's through Bank Linkage Programs. NGO's have changed their role from being social intermediary to financial intermediary. Shift in roles of NGO's in association with NABARD had given many financial schemes to marginalised sections, the power to empower themselves.

4. Research gap

It was observed from the available international and national literature that, the level of financial literacy among women was low compared to men. Foreign studies revealed some of the factors which were considered as barriers for low levels of financial literacy among women. Poverty, exploitation, low income, low paid jobs, family responsibility, low education, low confidence, bad decision making, financial stress and societal issues were identified as factors accountable for low financial literacy among people, globally. Foreign studies also revealed the low financial literacy among women in United States, Germany, Netherlands, Japan, Australia, Russia and Romania. Studies were conducted among all categories of people and the results suggested that financial literacy was below average in developing countries compared to developed countries. Studies conducted in India focused on difference in the status of financial literacy among men and women. Although several initiatives were taken up by the government and RBI by joining hands with other financial and non-financial institutions towards spreading financial education across the country, there still exist several issues faced by women due to which, they remain unable to acquire financial education.

The proposed study is an attempt to evaluate the financial literacy among members of SHG and economic empowerment of women. It is a comparative study between Government SSG and NGO SHG which has not been done in D.K. district yet. There is a lack of adequate research studies in this area, carried out to explore the reasons for poor financial knowledge and lack of financial education especially among women. There is an urgent need for a study to devise measures to resolve this challenge. The study makes an attempt to identify the reasons for low level of financial literacy among SHG women and focuses on suggesting strategies to improve financial literacy among women members. The study also concentrates on finding out the impact of financial literacy on economic empowerment of SHG members. The formation of

SHG’s successfully created a new revolution by giving women and other marginalised groups a chance to be financially empowered and confident to move further.

5. Statement of the Research Problem

The country's financial sector has undergone revolutionary changes, but there are many people, particularly women members of SHG’s from marginalised groups, for whom the financial sector revolution has passed quietly and without much impact. Financial literacy is an important requirement for promoting financial inclusion and ultimately, financial stability for the privileged as well as weaker sections of the society. Financial literacy is beneficial both to the 'included' as well as 'excluded' categories of people. Marginalised groups, women in particular, fail to understand the application of financial products and end up making incorrect financial decisions. Formation of SHG’s has given a strong platform for marginalised people to be a part of formal financial sector. Group meetings, training programs and group activities were designed in such a way that it gives courage and confidence to members to live independently.

Majority of SHG members are unable to comprehend the very purpose of SHG formation. SHG’s are established with the goal of supporting their members in leaving the poverty line by encouraging a saving culture, offering financial assistance for income-generating activities, and providing employability training to be self-employed or employed. Some of the members were rarely attending group meetings and training sessions run by different authorities. Members joined the group in the hope of developing their saving practices and getting credit. Credit obtained from SHG was used for a various purpose, and rarely for career advancement or income generating activities. If a member fails to participate in group meetings and the training programme, he/she will not be able to comprehend the purpose of SHG’s.

Member’s knowledge on Government programmes provided by the Federal and State Governments as well as the financial sectors was low. Programs such as, ‘APY, PMSBY, PMJJBY, PMKMDY, PMJDY, PMMY, PM-SYM, Kayaka Yojana, Udyogini Scheme, Annapurna Scheme, Dena Shakti Scheme, Bharatiya Mahila Bank Business Loan, Mahila Udyam Nidhi Yojana, Cent Kalyani Scheme’ and many others schemes on which awareness and knowledge is lacking.

Member's awareness on modern services is also proved to be low and the reason behind this is low education, low or no income, lack of financial awareness and knowledge. Financial products and services are produced and made available easily but information regarding the same is not reaching the users. There arises an urgent need to establish connection between providers of financial products and services and users. Members may fall into debt trap if they are not financially empowered through financial literacy programs.

6. Research Questions:

The study, Financial Literacy among members of SHG's and economic empowerment of women is a comparative study among Government SSG and NGO SHG members (SHG promoted by SKDRDP) undertaken to get satisfactory answers for the following questions:

- What are the reasons for the low level of financial literacy among women SHG members?
- How aware, the women SHG members are, of initiatives taken by Government and Non-Government institutions to improve financial literacy?
- What is the role of SHG's in the economic empowerment of women?
- How effective are the initiatives taken by Government and NGO members, help to improve the level of financial literacy among women members of the group?
- What is the most preferred investment avenue among women members of the group?
- What are the other measures available to improve financial literacy among women members of SHG?

7. Objectives of the study:

The primary objective of the study is to examine the level of financial literacy among the women G- SSG and NGO SHG members, and their economic empowerment in D.K. District. The objectives of the study are as follows;

1. To study the contribution of SHG's in the socio-economic development of Karnataka in general, and D.K. District, in particular.

2. To study the level of financial literacy among the women SHG members before and after joining SHG's in D.K. District.
3. To study the economic empowerment of women through SHG's in D.K. District
4. To study the awareness among the members of SHG's on various financial products, and their preferences towards investment avenues.
5. To Study the relationship between financial literacy and economic empowerment among members of SHG's in D.K. District.
6. To suggest measures to improve financial literacy and economic empowerment among members of SHG's.

8. Hypotheses of the study:

- Hypothesis **H_1:** There is significant improvement in the level of Financial Awareness among the SHG members after joining SHG.
- Hypothesis **H_2:** There is significant change in the Financial Behaviour of SHG members after joining SHG.
- Hypothesis **H_3:** There is significant difference in the Financial Attitude of SHG members after joining SHG.
- Hypothesis **H_4:** There is positive change in the Financial Knowledge and Skill of SHG members after joining SHG.
- Hypothesis **H_5:** There is significant improvement in the Economic condition of SHG members after joining SHG
- Hypothesis **H_6:** Financial Literacy has significant impact on Financial Behaviour
- Hypothesis **H_7:** Financial Behaviour has a significant impact on Economic empowerment, Educational empowerment, Social empowerment and Political empowerment.
- Hypothesis **H_8:** Age moderates the relationship between Financial Literacy and Financial Behaviour.
- Hypothesis **H_9:** Education moderates the relationship between Financial Literacy and Financial Behaviour
- Hypothesis **H_{10}:** Age moderates the relationship between Financial Behaviour and Empowerment

- Hypothesis **H_{11}:** Education moderates the relationship between Financial Behaviour and Empowerment.

9. Significance of the study:

Policymakers and economists have recognised the importance of financial education for women and have launched a number of international and national initiatives. The RBI, in collaboration with banks and other financial and non-financial institutions, has made significant efforts to improve financial literacy among vulnerable groups. Financial inclusion was an important step taken by the RBI in 2005. This step was primarily concerned with assisting the poor and underprivileged in making the best financial decisions possible by providing solutions to financial problems. To strengthen and build confidence among the weaker sections of the population, information on opening no-frills accounts, awareness on saving and investment of products, overdrafts linked with saving accounts, insurance, credit counselling, BC's and BF's service, Lead Banking system, and establishment of FLC's and CCC's were made available.

In India, the Reserve Bank of India, along with other banking and non-banking institutions, have made significant efforts to bring a large number of people into the banking system. Financial inclusion initiatives have resulted in incredible growth. Financial literacy programmes and activities also aimed to connect the rich and poor, as well as other vulnerable groups in society. Financial inclusion initiatives and financial literacy programmes should work in tandem to achieve economic stability. Women are also among the most vulnerable. Many efforts are made to empower and boost women's confidence so that they can be financially self-sufficient. SHG's provide financial and social support to all members, thereby contributing to economic development.

The present study was initiated by a need to evaluate the financial awareness and knowledge among women on financial avenues, and their economic empowerment. There are women with advanced degrees and women with little or no education. Financial institutions should identify different categories of women with different perspective. Women may be categorised into: 'Women who need financial support to start earning; Women who want to work but societal pressures limits liberty of choice; Women being small entrepreneur seeking financial help for expansion; Uneducated

women with business plan hesitant to approach banker for financial help'.

As a result, evaluating the financial literacy programmes run by G-SSG's and NGO SHG's promoted by SKDRDP and their contribution to women's economic empowerment is critical. The significant proportion of SHG members is not highly qualified. There is need to give practical information and create awareness on basic financial concepts like interest calculation, comparing interest rates on financial products offered by different financial institutions, risk and return associated with an investment, women centric schemes offered by Government and financial institutions. Women should also be given an understanding of opening future-oriented schemes such as, pension schemes, insurance and emergency funds, long term investment.

10. Scope of the study:

Financial literacy among members of SHG's and economic empowerment of women in D.K. district is a comparative study among members of G-SSG and NGO SHG promoted by SKDRDP, Dharmasthala - D.K. district. The study highlights the contributions of Government and NGO (SKDRDP) towards financially educating and empowering women in D.K. district. The researcher has attempted to understand the level of financial literacy among women SHG members of G-SSG and NGO SHG in D.K. district and the status of economic empowerment. SHG activities and programs which contribute towards improvement of financial literacy and empowerment of women, problems faced by women SHG members in gaining financial literacy, borrowing credit and factors responsible for financial illiteracy among women are considered for the study.

Financial literacy parameters considered for study includes- Financial awareness, financial behaviour, financial attitude and financial knowledge and skills. Focus of the study is to understand the impact of SHG's on improving financial literacy and economic empowerment of women. Empowerment parameters considered for study are economic empowerment, educational empowerment, social empowerment and, political empowerment.

In the present chapter, attempt has been made to highlight the major findings of the study based on the analysis of the data. Few suggestions are also made on the basis of findings of the study.

800 respondents were selected from D.K. District, out of which 400 respondents were chosen from G-SSG and 400 from NGO SHG (SKDRDP). Respondents were selected from five Taluks of D.K. The chapter reveals the findings based on the analysis and interpretation of the data.

11. Operational Definitions

Financial literacy: Study defines financial literacy as a combination of financial components such as financial awareness, financial attitude and financial knowledge and skill which supports and enhances financial behaviour of an individual in making precise financial decisions to achieve financial satisfaction.

Financial Awareness focuses on understanding the awareness on financial products and services offered by financial institutions like Banks, Post-offices, Insurance, Stock market and other financial avenues.

Financial Attitude reflects on confidence, giving financial suggestions to others, ability to manage financial stress, ability to take decisions.

Financial Knowledge and Skills ensure smooth operation of accounts, interest calculations, digital payments, familiarity on bank charges and information on various schemes.

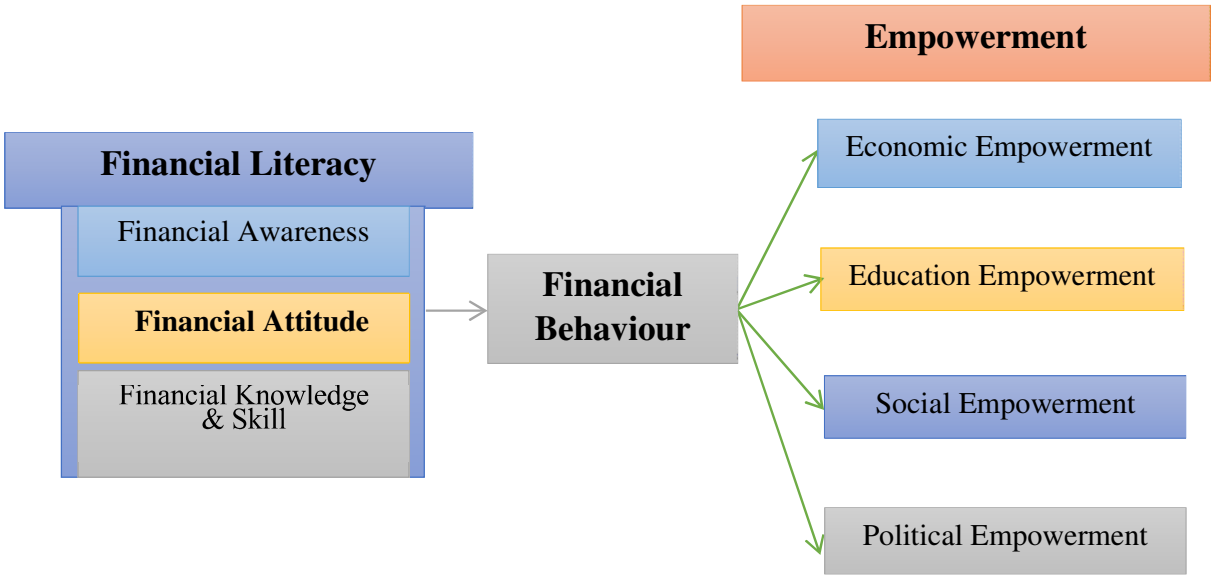
Financial Behaviour emphasises on preparing budget, comparing interest rates, tracking expenses, retirement plans and emergency fund.

Economic Empowerment: Economic empowerment is the ability of an individual to participate and contribute towards economic growth. The study considers economic empowerment as a combination of educational, social and political empowerment.

11.1 Conceptual Model

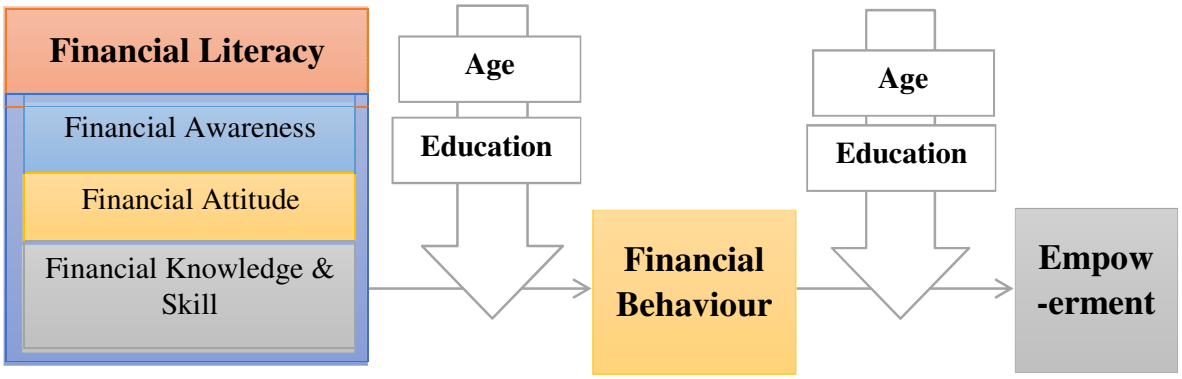
Conceptual model is constructed to get a clear picture on concepts which eases the level of financial literacy. In Conceptual Model -1, Researcher makes an attempt to study the relationship between Financial literacy components and Financial behaviour. In Conceptual Model-II, study makes an attempt to understand demographic factors like, age and education, leads to change in financial behaviour of respondents.

MODEL-1



Source: Researcher

MODEL 2



Source: Researcher

12. Research Methodology:

The study focuses on measuring the level of financial literacy among members of SHG. It also evaluates the relationship between financial literacy and economic empowerment among members of G-SSGs and NGO SHG's in D.K. district. Structured questionnaire was prepared to collect the data from the respondents of five taluks in D.K. district. Initially, the questionnaire was distributed to 80 respondents to conduct pilot study. Cronbach's Co- efficient alpha test was applied to assess the reliability of questionnaire. Cronbach's Co- efficient Alpha test result was more than 0.9 which is acceptable. Therefore, the opinions given by the respondents in the form of scale are reliable. Questionnaire was also distributed to NGO Project officials, supervisors and G-SSG supervisors and officials. As per their instructions and suggestions, the questionnaire was reframed and full-scale data collection was done from five taluks of D.K. District during the period 20/12/2018 to 30/10/2019.

Secondary data was collected from published sources like Government reports and websites, SKDRDP websites, books, journals, websites of banks, lead bank reports, RBI bulletin and circulars and documents. Collected data was analysed using descriptive and inferential statistical methods. Descriptive statistical methods such as frequency, percentage, mean, standard deviation, and median were calculated. Frequency and percentage were obtained to summarise, categorize data, calculate mean and standard deviation for the data measured in the rating scales.

Inferential methods such as Chi-square test, Fishers exact test, Mann Whitney test, Wilcoxon Signed Rank test, and multivariate ANOVA were performed. To compare between G-SSG and NGO SHG with respect to various categorical variables, Chi-square test and Fishers exact test were used (to find significant difference). Mann Whitney test was used to compare between the type of SHG's with respect to various parameters which were measured in the rating scale. Wilcoxon signed rank test was applied to find the significant impact of those variables measured in rating scales, before and after joining SHG. Multivariate ANOVA was performed to elicit the impact of various demographic variables on certain parameters which were obtained by averaging

responses of respondents on various statements. Analysis was performed using SPSS- 23 software and the level of significance in the present study was 5%. Structural Equation Modelling method was adopted to test the conceptual model with adequate acceptance of fit indices such as Chi square/ d.f, GFI, AGFI, RMSEA, NFI and CFI.

Sampling Design:

12.1 Population:

Total number of G-SSG considered for study in D.K. District is 4019 consisting of 58,072 members. NGO SHG (promoted by SKDRDP) considered for study is 18,327 with a total of 1,38,712 members. Below tables gives a clear picture on total number of group and members selected from five Taluks of D.K. District:

Table No. 12.1(a) Total number of SSG's and members in SSG's (D.K. District)

Taluks	Total no. of G - SSGs	Total no. of G-SSG members
Mangalore	1049	16172
Bantwal	1287	18973
Puttur	826	10859
Belthangady	541	7590
Sullia	316	4478
Total	**4019**	**58072**

(***Source:*** Women and Child Welfare Department of Karnataka -Zilla Panchayat, D.K. District)

Table No. 12.1(b) Total number of SHG's and members in SKDRDP (D.K. District)

Taluks	Total No. of SHG's	Total No. of NGO SHG members
Mangalore	2222	16977
Bantwal	4429	36059
Puttur	3937	28491
Belthangady	5238	39651
Sullia	2501	17534
Total	**18327**	**138712**

(***Source:*** SKDRDP Report, Head Office- Belthangady)

12.2 Sample size

Taking into consideration, the above stated population of SHG members in D.K. District, the following sample size was obtained using Taro Yamene's formula:

$$n=N/1+Ne^2$$

Where,

n= sample size required

N= total population size and

E= allowable error

G-SSG	NGO SHG
$\mathbf{n}= \frac{58072}{1+58072\ (0.05)^2} = \mathbf{397}$	$\mathbf{n} = \frac{138712}{1+138712\ (0.05)^2} = \mathbf{399}$

After Substituting the values in the formula, sample size of G-SSG = 397 and NGO SHG = 399 was obtained. The calculated figure was rounded off and a total of 800 responses were collected from both G-SSG and NGO SHG members. The sample size was selected proportionately based on the total population of G-SSG and NGO SHG (SKDRDP) from five Taluk in D.K. district, statistically at 5% allowable error. Stratified Sampling technique was used to select the respondents from each taluk in D.K. district.

The table below explains in detail the total number of sample respondents selected for the study and also taluk-wise selection of SHG members for the study.

Table No. 12.2(a) Type of SHG's and total number of sample respondents selected for the study

Type of SHG	Sample Respondents	Percentage (%)
G - SSG	400	50
NGO SHG	400	50
Total	**800**	**100**

Table No. 12.2(b) Taluk wise selection of sample respondents

Taluk	G- SSG Members	NGO SHG Members	Total
Mangalore	112	51	163
Puttur	74	82	156
Sullia	31	50	81
Belthangady	53	113	166
Bantwal	130	104	234
Total	**400**	**400**	**800**

(***Source:*** Survey data)

12.3 Study Area

D.K. district is considered to be one of the most progressive districts in Karnataka state with regard to empowering women and other marginalised groups in society. Government and NGO's are working effectively towards empowering marginalised people in the society, especially women. According to Karnataka Human Development Report 2014, D.K. district has secured first place in the empowerment and labour indices. D.K. district has the lowest gender inequality index (0.075 and below). NGO's like SKDRDP with good and strong team of local governance also plays a proactive role in social and economic empowerment of the rural poor, particularly women, in the district. Therefore, the study was conducted among G- SSG and NGO SHG members in five Taluks D.K. district i.e., 'Mangalore, Bantwal, Belthangady, Puttur and Sullia'.

12.4 Sampling technique

The study was conducted among five Taluks of D.K. District. Sample design was ascertained using stratified sampling technique. For study 42 G-SSG's and 40 NGO SHG's were selected from five Taluks. Proportionate Stratified sampling technique was used for selection of 800 respondents from all five Taluks of D.K. district. Researcher had to collect responses from 400 G-SSG members and 400 NGO SHG members which is proportionate of the total population.

12.5 Source of data - Primary and Secondary

Primary and secondary sources were used to collect data for the empirical study. Primary data was gathered using a pre-structured questionnaire, interviews with

members of SHG's, supervisors and project officials. Information was collected from organizations and institutions working for financial literacy as well.

Secondary data was collected from books, journals, websites, published reports, results of surveys conducted by national and international agencies, and Government records. Books related to financial planning and women empowerment, financial inclusion, self-help groups were also referred.

13. Limitations of the Study

The researcher came across the following barriers during this study.

- Financial literacy was purely individualistic and the primary data collected from respondents may be biased.
- The study was conducted only in five taluks of D.K. District, and therefore, results cannot be generalized.
- The figures and data collected from records of various institutions and reports may not be accurate.
- Study considered only women SHG members of G-SSG and NGO SHG promoted by SKDRDP. Therefore, sample may not represent all the SHG's.

14. Layout of the Report

The present study has been classified into Five chapters as presented below:

Chapter 1: Introduction

The chapter deals with technical aspects of the study covering introduction to the research topic, and technical aspects such as background of the study, need for financial literacy, International and national initiatives on financial literacy, statement of the research problem, research questions, objectives of the study, hypothesis of the study, significance of the study, scope of the study, research methodology, sample design and limitations of the study.

Chapter 2: Review of Literature and Conceptual Framework

This chapter covers the review of previous theoretical and empirical studies carried out on financial literacy, especially among women and on women empowerment. This chapter also covers a conceptual framework related to the study.

Chapter 3: Profile of the Study Area

The chapter elucidates the profile of the study area and focuses on contributions made by the Government and NGO's (SKDRDP) towards empowering marginalised sections, and empowering women of Dakshina Kannada.

Chapter 4: Financial Literacy among members of SHG's and Economic Empowerment of Women: An Empirical Study

This chapter is the core of the thesis which analyses the primary data collected from the SHG members of Government Stree Shakthi Group and Non-Government Organisation Self-help Group (promoted by SKDRDP).

Chapter 5: Summary of the Findings, Suggestions and Conclusion

This chapter gives a summary of the findings and discussions presented in the previous chapters. Also, recommendations and suggestions form a part of this chapter. The direction for further research based on the study is elucidated. The conclusion arrived, through the study is also elaborated.

15. Data analysis and interpretations

Study results observed that, there is correlation between: Financial literacy components and economic empowerment; Financial literacy components and education empowerment; Financial literacy components and Social empowerment; Financial literacy components and Political empowerment. Therefore, Financial Literacy components such as Financial Awareness, Financial Attitude and Financial knowledge and skill have significant correlation with Financial Behaviour. Empowerment indicators such as Economic Empowerment, Education Empowerment, Social Empowerment and Political Empowerment also have significant correlation with Financial Behaviour. Study reveals that, any improvement in Financial Literacy components influences Financial Behaviour of an individual which contributes towards empowerment. Impact of financial literacy components on financial behaviour and impact of financial literacy components on empowerment variables was also studied using regression analysis.

15.1 Testing the Conceptual Model using Structural Equation Modelling Method

In this study a conceptual model was proposed (in Chapter- 2), to find the impact of Financial Literacy components on Economic Empowerment, Educational Empowerment, Social Empowerment and Political Empowerment of members of SHG's. By considering Financial Behaviour, as a mediating component, SEM method is performed because analysis includes to establish multiple relationship and the Hypotheses.

H_6: Financial Literacy has significant impact on Financial Behaviour

H_7: Financial Behaviour has significant impact on Economic Empowerment, Educational Empowerment, Social Empowerment and Political Empowerment.

In the Structural Equation Model, FAWR stands for Financial Awareness; FATT stands for Financial Attitude; FSK stands for Financial knowledge and skill; FB stands for Financial Behaviour; ECE stands for Economic Empowerment; EDUE stands for Educational Empowerment; SOCE stands for Social Empowerment and POLE stands for Political Empowerment.

Figure 1. Path Analysis Financial Literacy and Financial Behaviour

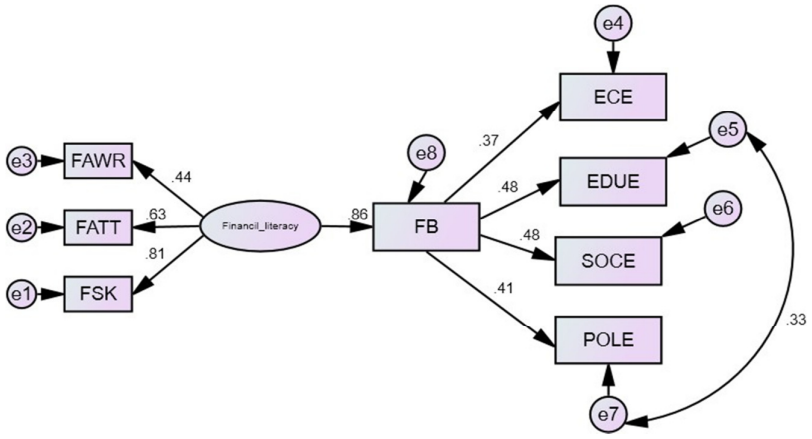


Table No 15.1(a) Regression Weigh Results

Variable			Estimate	P value	Inference
Financial Behaviour	←	Financial Literacy	0.859	0.000	HS
Financial Skill & Knowledge	←	Financial Literacy	0.806	0.000	HS
Financial Attitude	←	Financial Literacy	0.629	0.000	HS
Financial Awareness	←	Financial Literacy	0.440	0.000	HS
Economic Empowerment		Financial Behaviour	0.374	0.000	HS
Education Empowerment		Financial Behaviour	0.481	0.000	HS
Social Empowerment		Financial Behaviour	0.481	0.000	HS
Political Empowerment		Financial Behaviour	0.414	0.000	HS

Table No 15.1(b) Fit indicators of Structural Model of Overall organisation factors with WLB

Fit Indicators	Obtained Value	Recommended
Chi square/d. f	2.381	
GFI	0.993	≥0.90
AGFI	0.974	≥0.08
RMSEA	0.042	≤0.05
NFI	0.990	≥0.90
CFI	0.994	≥0.90

Source: Joreskog & nSorbom., 1993; Chin et al., (1997); Hair et al., (1998); Salisbury et al., 2002; Schumacker & Lomax., 2004.

The above table displays the values of different goodness of fit indices. The value in respect of Chi-square is 2.381, RMESEA is 0.042, GFI is 0.993, AGFI is 0.974, NFI is 0.990 and CFI is 0.994. These values fall under acceptable limits. Considering the above obtained value which justifies that, the proposed model appropriately fits to given criteria. Further standardised regression weights illustrate the relationship.

Path analysis showed that, Financial Literacy has significant impact on financial behaviour with $\beta = 0.86$, $p = 0.000$, HS.

Therefore, **Hypothesis H_6: Financial Literacy has significant impact on financial behaviour is accepted.** Result obtained is according to the findings of, Hilgert, Hogart

and Beverly, 2003[7], 'Financial literacy has a positive impact on financial behaviour of an individual'.

Further, Financial behaviour has significant impact on economic empowerment with β= 0.37, p= 0.000; Moreover, financial literacy also has significant direct effect on educational empowerment with β= 0.48, p= 0.000. Positive significant effect of financial literacy was also witnessed with social empowerment (β= 0.48, p= 0.000) and it also has a significant impact on political empowerment with β= 0.41, p= 0.000.

Therefore, **hypothesis H_7: Financial behaviour has significant impact on economic empowerment, educational empowerment, social empowerment and political empowerment is accepted.**

15.2 Testing Conceptual Model -II using Structural Equation Modelling Method:

The study observes that, financial behaviour is the most influencing factor to empower women SHG members. The variables which has an impact on financial behaviour are- Age and Education. Therefore, a conceptual model is constructed to understand the impact of age and education on financial behaviour which leads to financial literacy.

Hypothesis 8

H_8: Age moderates the relationship between Financial Literacy and Financial Behaviour

Table 15.2 Moderation of age in relationship between Financial Literacy and Financial Behaviour

Age	F1	F2	F3	R	R2	Adjusted R2	F	p
Less than 20								
Beta	3.466	-1.251	1.285	1.000[a]	1.000	1.000	16.838	.000[c]
t	11439470	-6292943	9379177					
p	0	0	0					
20-29								
Beta	0.333	0.2	0.299	.731[b]	.534	.503	24.587	.000[c]
t	3.669	2.338	2.221					
p	0.001	0.024	0.032					

30-39								
Beta	0.165	0.116	0.349	.501[b]	.251	.241	7746.878	.000
t	3.327	2.172	4.544					
p	0.001	0.031	0					
40-49								
Beta	0.175	0.229	0.2	.485[b]	.235	.228	33.264	.000[c]
t	4.196	4.76	3.65					
p	0	0	0					
50-59								
Beta	0.046	0.153	0.237	.471[b]	.222	.207	14.285	.000[c]
t	0.683	2.39	2.945					
p	0.496	0.018	0.004					
above 60								
Beta	0.01	0.213	0.276	.689[b]	.475	.423	9.058	.000[c]
t	0.082	2.412	2.16					
p	0.935	0.022	0.039					

Predictor: (F1-F3)
Dependent variable: Financial Behaviour
Note: F1 - Financial Awareness, F2 - Financial Knowledge & Skill and F3 - Financial Attitude

Contemplating the result of ANOVA, it is evidenced that, the model is significant depicting significant effect of financial literacy on financial behaviour, as the p value is below 0.01. Furthermore, to assess the impact of Independent variable (Financial Awareness, Financial knowledge and skill, and financial attitude) on financial behaviour, the study examined, Beta coefficients with respect to selected age categories.

The above table shows that, Financial awareness and Financial attitude have statistically significant effect on the Financial behaviour in case of respondents falling under 20, 20-29, 30-39 and 40-49 age category; when it comes to 50-59 and 60 and above age category, Financial Knowledge and Skill and Financial Attitude shows significant impact on financial behaviour and the reverse impact is not significant i.e., financial behaviour does not show significant impact on financial awareness and financial knowledge and skill.

Considering the standardized beta coefficients of below 20 age category, the strongest predictor of the financial behaviour is Financial awareness (β= 3.466) followed by Financial attitude (β= 1.285) and Financial Knowledge and Skill (β= -1.251). This

shows that even a small increase in financial awareness results in financial behaviour changing by 346.6%. Similar to how a small change in financial attitude will change members' financial behaviour by 128%, a small change in financial knowledge and skill will have negative impact on members' financial behaviour.

Referring the beta coefficients of 20-29 age category, the major predictor of the financial behaviour is Financial Awareness (β=0.333) followed by financial attitude (β=0.299) and Financial Knowledge and Skill (β=0.2). From this result, one can infer that, small improvement in Financial Awareness contributes to 33.3% increase in financial behaviour; similarly small progress in financial attitude and Financial Knowledge and Skill contributes about 29.9% and 20% positive change in financial behaviour respectively.

Considering the beta coefficients of 30-39 age category, the strongest predictor of the dependent variable is financial attitude and Financial Awareness (0.349 and 0.165) respectively, moreover, Financial Knowledge and Skill has a beta value of 0.116. This implies that little progressive change in financial attitude would lead to 34.9% progressive change in financial behaviour. Similarly small improvement in Financial Awareness would lead to 16.5% increase in financial behaviour of SHG members. Lastly, little positive improvement in Financial Knowledge and Skill would lead to 11.6% positive change in financial behaviour.

Beta coefficients of 40-49 age category shows that, the strongest predictor of the dependent variable is Financial knowledge and skill and financial attitude (0.229 and 0.2) respectively, moreover, Financial Awareness has a beta value of 0.175.

Further, beta coefficient concerning 50-59 and above 60 years age category, financial attitude is the highest contributor of financial behaviour with the beta value of 0.237 and 0.276 respectively.

Overall, it implies that Age of the respondents significantly moderates the relationship between Financial Literacy and Financial Behaviour, as the p value is less than 0.01 in majority of the cases. Hence, **Hypothesis, H_8 is accepted**.

Hypothesis 9

H_9: Education moderates the relationship between Financial Literacy and Financial Behaviour

Table 15.3 Moderation of Education in relationship between Financial Literacy and Financial Behaviour

Education	F1	F2	F3	R	R2	Adjusted R2	F	p
Illiterate								
Beta	0.063	0.256	0.256	.692[a]	.479	.441	12.570	.000[b]
t	0.634	1.884	2.371					
p	0.53	0.067	0.023					
Primary								
Beta	-0.057	0.212	0.242	.494[a]	.244	.235	27.050	.000[b]
t	-1.295	3.894	5.511					
p	0.197	0	0					
SSLC								
Beta	0.28	0.172	0.209	.541[a]	.292	.280	23.526	.000[b]
t	4.463	2.181	3.297					
p	0	0.031	0.001					
PUC								
Beta	0.231	0.327	-0.009	.446[a]	.199	.188	17.986	.000[b]
t	4.458	4.016	-0.144					
p	0	0	0.885					
Graduate								
Beta	0.187	0.224	0.186	.489[a]	.239	.206	7.217	.000[b]
t	2.156	1.609	1.967					
p	0.035	0.112	0.053					
Diploma								
Beta	0.068	.051	0.276	.761[a]	.578	.518	9.606	.000[b]
t	3.867	.001	2.16					
p	.561	.581	0.039					

Predictor: (F1-F3)
Dependent variable: Financial Behaviour
Note: F1 - Financial Awareness, F2 - Financial Knowledge and Skill and F3 - Financial Attitude

Considering the result of ANOVA, it is evidenced that the model is significant depicting significant effect of financial literacy on financial behaviour, as the p value is below 0.01. To assess the impact of independent variable (Financial Awareness, Financial knowledge and skill, and financial attitude) on financial behaviour, the study examined Beta coefficients with respect to selected age categories. The above table shows that, Financial

awareness and Financial attitude have statistically significant effect on the Financial behaviour in case of respondents who come under education status of, illiterate, Primary, SSLC and PUC, as p value in majority of these cases is less than 0.05.

Considering the standardized beta coefficients of illiterates, the strongest predictor of the financial behaviour is Financial knowledge and skill (β= 0.256) and financial attitude (β= 0.256). It indicates that positive improvement in financial knowledge and skill and financial attitude, contributes 25.6% improvement in financial behaviour of respondents.

In addition, the beta coefficients of respondents having Primary level of education showed that, the major predictor of the financial behaviour is financial attitude (β= 0.242) followed by Financial knowledge and skill (β= 0.212). From this result, one can easily interpret that, positive change in financial attitude contributes towards 24.2% progressive change in financial behaviour; similarly improvement in financial knowledge and skill contributes to 21.2%. Considering the beta coefficients of respondents having SSLC level of education showed that, the strongest predictor of the dependent variable is Financial Awareness and financial attitude (0.28 and 0.209) respectively, moreover, Financial knowledge and skill has a beta value of 0.172.

Beta coefficients of respondents having PUC level of education showed that, the strongest predictor of the dependent variable is Financial knowledge and skill and Financial Awareness (0.327 and 0.231) respectively. Further, beta coefficient concerning Graduate and Diploma, Financial knowledge and skill and financial attitude is the highest contributor of financial behaviour with the beta value of 0.224 and 0.276 respectively.

Overall, it implies that educational qualifications of the respondents significantly moderates the relationship between Financial Literacy and Financial Behaviour, as the p value is less than 0.01 in majority of the cases. Hence, **H_9 is accepted**.

Hypotheses 10

H_{10}: Age moderates the relationship between Financial Behaviour and Empowerment

Table 15.4 Moderation of age in relationship between Financial Behaviour and Empowerment

Age	Financial Behaviour	R	R2	Adjusted R2	F	p
Less than 20						
Beta	-.319	.662[a]	.439	.251	2.343	.223[b]
t	-1.531					
p	.223					
20-29						
Beta	.286	.444[a]	.197	.179	11.270	.002[b]
t	3.357					
p	.002					
30-39						
Beta	.154	.223[a]	.050	.045	11.676	.001[b]
t	3.417					
p	.001					
40-49						
Beta	.184	.255[a]	.065	.062	23.077	.000[b]
t	4.804					
p	.000					
50-59						
Beta	.301	.386[a]	.149	.144	26.979	.000[b]
t	5.194					
p	.000					
above 60						
Beta	.323	.481[a]	.231	.207	9.629	.004[b]
t	3.103					
p	.004					

Predictor: Financial Behaviour Dependent variable: Empowerment

Contemplating the result of ANOVA, it is evidenced that the model is significant depicting significant effect of Financial behaviour on Empowerment, as the p value is below 0.01. To assess the impact of independent variable (Financial behaviour) on Empowerment, the study examined Beta coefficients with respect to selected age categories. The results revealed that, there is significant impact of financial behaviour on Empowerment with respect to all the age categories, except Less than 20 age categories, as the alpha value is less than 0.01. Referring to beta coefficients, above 60 age category (β=.323) considers Financial behaviour, as the highest predictor of Empowerment compared to, 50-59 (β=.301), 20-29 (β=.286), 40-49 (β=.184) followed by 30-39 (β=.154) age category. The result reveals that, minor change in Financial behaviour contributes towards 32.3% (or 0.323) empowerment for above 60 age category; in case of 50-59 age category, a positive change in Financial behaviour leads to 30.1% (or 0.301)

Empowerment; while for 20-29, 40-49 and 30-39 age category, change in Financial behaviour would lead to 28.6%, 18.4% and 15.4% Empowerment among members respectively. Therefore, it can be inferred that Age tends to moderate the relationship between financial behaviour and Empowerment of the respondents, so **H_{10} is accepted.**

Hypotheses 11

H_{11}: Education moderates the relationship between Financial Behaviour and Empowerment

Table 15.5 Moderation of Education in relationship between Financial Behaviour and Empowerment

Education	Financial Behaviour	R	R2	Adjusted R2	F	p
Illiterate						
Beta	.355	.518[a]	.268	.253	17.242	.000[b]
t	4.152					
p	.000					
Primary						
Beta	.175	.227[a]	.052	.048	13.860	.000[b]
t	3.723					
p	.000					
SSLC						
Beta	.219	.330[a]	.109	.104	21.353	.000[b]
t	4.621					
p	.000					
PUC						
Beta	.226	.293[a]	.086	.082	20.562	.000[b]
t	4.535					
p	.000					
Graduate						
Beta	.078	.120[a]	.014	.000	1.031	.313[b]
t	1.015					
p	.313					
Diploma						
Beta	.255	.378[a]	.143	.105	3.829	.063[b]
t	1.957					
p	.063					

Predictor: Financial Behaviour Dependent variable: Empowerment

From the above result of ANOVA, it is evidenced that the model is significant depicting significant effect of financial behaviour on Empowerment, as the p value is below 0.01. To assess the impact of Independent variable (Financial behaviour) on Empowerment, the study examined Beta coefficients with respect to selected educational status of

respondents. The results revealed that, there is significant impact of financial behaviour on Empowerment with respect to majority of the educational status, except Graduate and Diploma, as the alpha value is less than 0.01. Referring to beta coefficients, Illiterate (β=.355) considers Financial behaviour as the highest predictor of Empowerment compared to Diploma (β=.255), PUC (β=.226), SSLC (β=.219) followed by Primary education level (β=.175). This recommends that minor change in Financial behaviour contributes towards 35.5% more (or 0.355) empowerment for Illiterates; in case of Diploma, positive change in Financial behaviour leads to 25.5% (or .255) Empowerment.; while for respondents who completed PUC, SSLC and Primary education, small positive improvement in Financial behaviour would lead to 22.6%, 21.9% and 17.5% empowerment respectively. It is very clear that, educational qualification tends to moderate the relationship between financial behaviour and Empowerment of the respondents. Therefore, **H_{11} is accepted.**

Figure 2: Direct effect of financial literacy on financial behaviour leading to empowerment (Unstandardized Value)

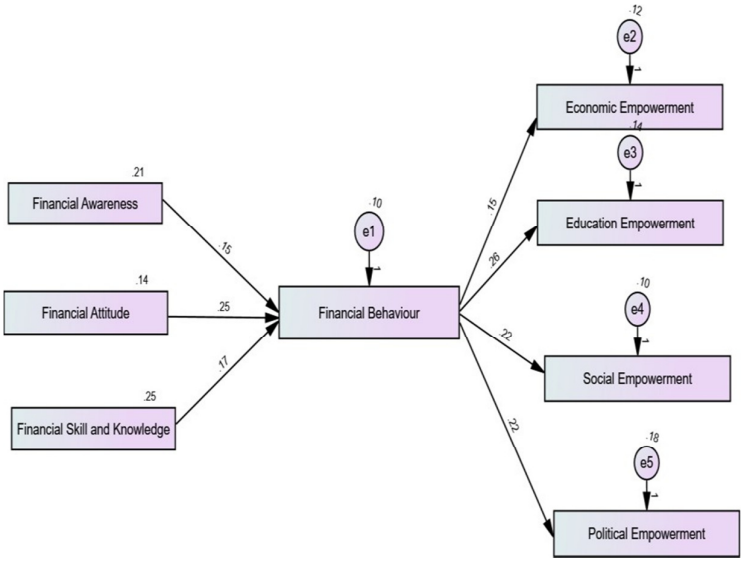


Figure 3: Direct effect of financial literacy on financial behaviour leading to empowerment (Standardized Value)

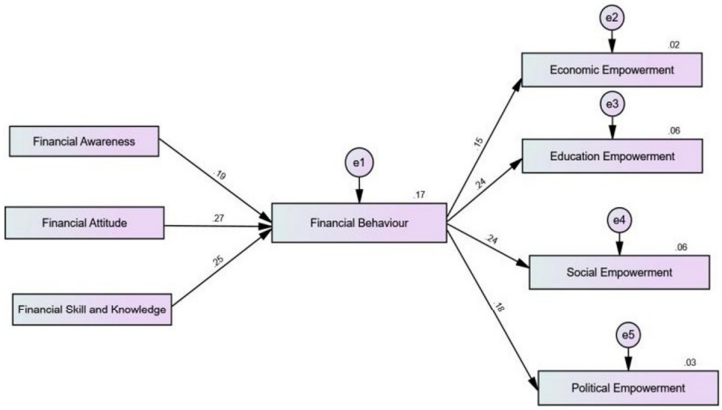


Table 15.6 Estimates indicating Direct effect of financial literacy on financial behaviour leading to empowerment

Particulars			Estimate	P	Label
Financial Behaviour	<---	Financial Awareness	.193	***	HS
Financial Behaviour	<---	Financial attitude	.273	***	HS
Financial Behaviour	<---	Financial skills	.249	***	HS
Social Empowerment	<---	Financial behaviour	.236	***	HS
Economic Empowerment	<---	Financial behaviour	.150	***	HS
Political Empowerment	<---	Financial behaviour	.176	***	HS
Educational Empowerment	<---	Financial behaviour	.236	***	HS

Note: HS-Highly Significant, S-Significant

The above table presented the effect of three indicators of financial literacy on financial behaviour; moreover it also depicted the direct influence of financial behaviour towards 4 indicators of empowerment. Firstly, Financial Awareness of the respondents showed significant positive effect on Financial behaviour (E=.193, P=***); which indicates increase in the Financial Awareness increases Financial behaviour. Secondly, Financial attitude also has direct significant effect on Financial behaviour (E=.273, P=***). Lastly, Financial knowledge and skills also has direct significant effect on Financial behaviour (E=.249, p=***). This gives clear indication that, all the indicators of financial literacy has a

significant influence on financial behaviour but financial attitude is the strongest contributor of financial behaviour. Furthermore, financial behaviour through financial literacy showed a significant positive influence on Social Empowerment (E=.236, p=***), Economic Empowerment (E=.150, p=***), Political Empowerment (E=.176, p=***) and Educational Empowerment (E=.236, p=***). It implies that financial behaviour has major positive contribution towards Social Empowerment and Educational Empowerment compared to Economic Empowerment and Political Empowerment. From the direct effect analysis it is can be inferred that financial literacy directly contributes to financial behaviour which in turn leads to empowerment of women.

Table 15.7 Model Fit Summary

Model-Fit Indices	Recommended Value	Obtained Value
x^2	-	9.786
d.f	-	7
x^2 significant	$p \geq 0.05$	.055
x^2 /d.f	≤2- 5.0	1.398
GFI	≥ 0.90	0.976
AGFI	>0.80	0.988
NFI	≥ 0.90	0.912
RMSEA	≤0.05	0.039

Source: *Hu and Bentler (1999), Hair et al. (1998, 2010), Byrne (2001, 2010) and Ernest et al. (2008)*

The results of structural equation modelling can be considered valid only by confirming the goodness of fit of the model. Hence the obtained value was compared with the recommended value of model fit indices which demonstrated Chi square significant value to be 0.055 ($p \geq 0.05$); x^2 /d.f within the range of 2-5 (1.398). Moreover, GFI was found to be 0.976 (≥ 0.90),

AGFI above 0.80 (0.988), NFI above 0.90(0.912) and RMSEA less than 0.05 (0.039) which falls fit within the range of recommended value. Hence, goodness of fit of the model is confirmed.

The present study made an attempt to identify the parameters of financial literacy contributing towards empowerment of women. Parameters identified are- financial awareness, financial attitude, financial knowledge and skill which influences financial behaviour. Among all the variables identified, financial behaviour is very important as it

contributes highly towards overall empowerment of women. Financial awareness, financial attitude and financial knowledge and skill helps in bringing change in the financial behavior of individual which leads to social, educational, economic and political empowerment of women. This is statistically tested and verified.

16. Major findings of the study

16.1 Profile of respondents:

Majority of the G-SSG respondents were from Bantwal Taluk and NGO SHG respondents were from Belthangady Taluk.

Part I

16.1.1 Findings related to Demographic profile and SHG details of the respondents

- Age-wise analysis of respondents reveals that majority (41.6%) of the members fall under age group of 40-49 of which 39% belong to G-SSG and 44.3% were from NGO SHG's.
- Area wise classification of respondents reveals that 57.4% respondents belong to rural and semi-rural area.
- It was observed from the study that, 32% of the respondents had only primary schooling; 22.1% of the respondents had schooling up to SSLC. 6.5% of NGO SHG members and 5.8% of G-SSG members were illiterates.
- Analysis of marital status of respondents reveals that 79.8% are married of which, 83% were G-SSG members and 76.5% were NGO SHG members.
- Occupation status of respondents observes that, large number (29.6%) of respondents were house wives; 20.1% respondents were coolie workers which also includes beedi rollers; 19.1% respondents working in Private company and 16.6% of the respondents were self-employed.
- 36.1% respondents had more than one person working in their family of which 40% were G-SSG members and 32.3% were NGO SHG members. 22.8% of NGO SHG members and 29.8% of G-SSG members depended on their husband's income.
- Investigation of monthly income of respondents reveals that 44.1% had Rs.15,001 to Rs.20,000, out of which 43.5% were G-SSG members and 44.8% were NGO SHG

members. 23.5% respondents' monthly income was Rs. 20,001 to Rs. 25,000.

- Examination of decision maker in the family reveals that only 17.3% of respondents take self-decision on important matters out of which 16% were G-SSG members and 18.5% were NGO SHG members. 43.3% respondents reported that they take decisions after consulting all the members of the family.

16.1.2 Findings related to SHG details and activities:

- 51.4% of the members opine that their group consisted of 10-15 members, out of which 38.5% respondents were from G-SSG and 64.3% were from NGO SHG. 26.5% of NGO SHG members stated that, group consisted of less than 10 members.
- 54.4% respondents reported that their group existed from past 7-12 years of which 53% were G-SSG members and 55.8% were NGO SHG members. Majority (78.9%) respondents were only members in SHG.
- Analysis of members decision to join SHG reveals that 56.4% joined SHG with their own interest and 23.8% respondents were motivated to join group by NGO officials.
- Investigation of the reason to join SHG reveals that 89.4% respondents joined SHG to receive credit facility and save money of which 84.8% were G-SSG members and 94% were NGO SHG members. 26.3% joined SHG to start business, out of which 28.3% were NGO SHG members and 24.3% were G-SSG members.
- Majority (97.5%) of the respondents reported that they pay group individual savings every week. It was found that 68.1% respondents save less than Rs. 30 every week as individual savings.
- Study result on reason to save money in SHG reveals that 55.9% respondents save for children's education; 40% respondents save money towards improving their standard of living and 36.6% respondents save money to provide for future uncertainties.
- Study observed that, 81.9% respondents were aware about interest rate on their SHG savings, out of which 88% belong to NGO SHG and 75.8% belong to G-SSG.

16.1.3 Findings on SHG meeting

- Study observed that 72% respondents always attended group meeting, of which 72.3% belong to G-SSG and 71.8% belong to NGO SHG. Greater number of respondents (97.1%) expressed that group meetings were held weekly.

- Three main reasons to attend group meetings as expressed by respondents were, save money and easy credit facility (84.8%); discuss activities of SHG (77.8%); creates awareness on socio-economic issues (68.1%).
- Investigation of respondents reveals that, 88% strongly agree and 11.1% respondents agree that group decisions were taken after taking consent from all the members. Majority (99.1%) of the respondents involve and participate in taking important decisions related to SHG's.

16.1.4 Findings on SHG Training program

- It was found that 91% respondents have participated in SHG training program, out of which 88% were from G-SSG and 94% were from NGO SHG.
- Investigation into attending training program reveals that 44.4% respondents opined that, training was extremely useful, of which 37.2% respondents were from G-SSG with mean values 4.22± 0.745 and 51.1% respondents were from NGO SHG with mean values 4.38 ± 0.731.
- Study observed that main three contents of training program include - developing saving habit among the members (83.2%); awareness on banking operations (73.9%) and increasing financial literacy and status of women (68.8%).
- Analysis of respondent's level of participation in training program reveals that 38.6% always wanted to participate, out of which 40.2% belong to NGO SHG and 36.9% belong to G-SSG. 35.4% respondents very often wanted to take part in training program.
- 32% respondents strongly agree and 54.5% respondents agree that SHG employs competent trainers to train the members of G-SSG (mean value 4.23±0.606) and members of NGO SHG (mean value 4.13±0.703).
- Association of demographic profile of respondents with attending training reveals that only source of income is highly associated between members of G-SSG and NGO SHG as $p=0.009<0.01$. All the other parameters have no significant impact on attending training program.
- Association of demographic profile of respondents with usefulness of training program shows that only religion, caste, source of income and monthly income have significant impact. All other parameters have no impact on usefulness of

training program. Overall demographic profile of respondents shows significant impact on usefulness of training program among members of G-SSG and NGO SHG's.

16.1.5 Findings on SHG credit facility and repayment of loans

- Majority (98.5%) of the respondents borrowed loan from SHG, out of which 98% belong to G-SSG and 99% belong to NGO SHG.
- Study observed that 48.4% respondents borrowed SHG loan for about 3-4 times and 24.1% respondents borrowed loan for more than 5 times. This shows the members credit needs are fulfilled by SHG.
- Examination of result found that, 51.8% respondents borrowed loan of Rs. 50,001-100,000, of which 44.4% respondents belong to G-SSG and 59.1% belong to NGO SHG. 31.5% respondents borrowed loan of Rs. 30,001- 50,000.
- Investigation revealed that 95.8% respondents expressed that interest rate charged on internal loan is less than 3%.
- Majority (93.1%) respondents expressed that, rate of interest on SHG through bank linkage was above 10%, out of which 93.7% belong to NGO SHG and 92.6% belong to G-SSG. There is no significance difference between NGO SHG members and G-SSG members with regard to interest rate on bank loan as confirmed by Fishers Exact test. Respondents were aware that interest on SHG loan is high but still they prefer to borrow loan from SHG as it was more convenient than other loans.

16.1.6 Findings regarding members satisfaction with loan procedures

- It was observed from the study that 54.7% respondents were highly satisfied and 35.7% respondents were moderately satisfied with loan sanctioning procedure of G-SSG with mean value (4.40±0.787) and NGO SHG with mean value (4.46±0.653).
- Study observes that higher number of respondents were satisfied with loan repayment procedure with mean value (4.20±0.832) of G-SSG members and mean value (4.35±0.718) of NGO SHG members.
- Analysis on adequacy of loan amount to members reveals that, 48.6% respondents opined that loan amount was adequate, out of which 56.6% were G-SSG members and 40.7% were NGO SHG members and 43.4% expressed that loan amount was highly adequate.

16.1.7 Findings concerning the purpose of the borrowed loan

- Study observes that 61.2% respondents borrowed SHG loan towards children's education; 38.1% borrowed loan for consumption purpose; 34.9% borrowed loan for constructing house; 26.9% borrowed loan to start business of which 27.8% belong to G-SSG and 26% belong to NGO SHG. 16.9% of the respondents borrowed loan for agricultural activity. Less respondents financed their income-generating activities with loans from SHG.
- All the respondents who had borrowed SHG loan have repaid the loan on time.
- Majority of respondents (40.9%) stated that, they had no trouble in getting SHG loan. 29.2% of respondents claimed that lack of confidence was the main issue while applying for a loan, and 23.2% said that lack of financial literacy was another issue. Lack of financial literacy and lack of confidence when taking out a loan cause the loan funds to be wasted.
- Analysis of issues with loan repayment reveals that 40.4% of respondents believed the loan sanctioning process was time-consuming and 39.2% believed that, there were no issues with loan repayment.

Part II

16.2 Findings on Financial Literacy

All the selected sample respondents for the study had bank account.

- Majority (89.5%) of the respondents had opened bank account before joining SHG's whereas, 10.5% respondents opened bank account only after they became a member of SHG, out of which 14.3% belong to G-SSG and 6.8% belong to NGO SHG. SHG's have contributed towards financial inclusion.
- All the respondents had Saving Bank account in the bank; 35.6% respondents had fixed deposit account; 23.1% respondents had recurring deposit account; very few respondents (29.8%) having small business and small entrepreneurs had current account in bank. Majority (60.9%) of the respondents had loan account in bank. Women join SHG to avail credit facility and save money to meet financial commitments. There was no significant difference found between members of G-SSG and NGO SHG with regard to type of bank account.

16.2.1 Findings on motivation to open bank account

- Majority (81.5%) of the respondents opened bank account with their own interest; 25.8% respondents opened bank account as they were motivated by friends and relatives; 15.4% respondents were motivated to open bank account NGO officials and other SHG members.
- Main reason for the (87.5%) respondents to open bank account was to save/ withdraw and make payment of money. 55.1% of respondents opened bank account specifically for borrowing money which includes 63.3% of NGO SHG and 47% belong to G-SSS members.

16.2.2 Findings on Savings, Frequency of Savings, Sources of Savings and Reason for Savings of members

- It was observed that 94.1% respondents were also using other avenues to save money other than Banks, of which 94.5% belong to G-SSG members and 93.8% belong to NGO SHG. Majority (59.8%) of the respondents were saving money every month in insurance or Post office or other financial avenues.
- Study observes that, highest number of respondents (99.9%) were using SHG's to save money every week; 54.3% respondents were using insurance products to save money on which premium is payable every year, of which 51.6% were G-SSG members and 57.1% were NGO SHG members; 19.4% respondents were using Post office every month to save money and 46.7% of the total respondents had no savings in Post Office; 17.4% respondents used Co-operatives and 17.1% respondents used chit funds.

16.2.3 Findings on Reason for no/low savings of members

- Investigation on low saving or no savings among respondents revealed that, Low income (51.1%), out of which 59.1% were G-SSG members and 44% were NGO SHG members and illiteracy (40.4%), of which 50% belong to G-SSG and 32% belong to NGO SHG, were the main reasons for not low savings among respondents. However, it was observed that there was no significant difference between members of G-SSG and NGO SHG towards reasons for no savings.

16.2.4 Findings on respondents Financial Awareness on Banking products:

- There was significant difference between awareness on banking product among the

members of G-SSG and NGO SHG. Respondents had good awareness of traditional banking products such as saving deposits and loan account. Respondents' awareness was low with regard to awareness on electronic transactions (22.9%), ATM cards (59.9%). Credit cards- 2.6% respondents were fully aware and 18.8% had moderate awareness. Mobile payment/transfer-1% respondents were fully aware, and 28.6% were partially aware.

- Investigation into the problem revealed that, majority of NGO SHG members (69.8%) had awareness on mobile applications compared to G-SSG members (52.8%). Highest number of NGO SHG members (82.5%) had financial awareness on agriculture loan than G-SSG members (73.5%).
- Study reveals that, 38.3% of NGO SHG members had awareness on MSME loan compared to G-SSG members (16.1%). Higher number of NGO SHG members (51.8%) had awareness on small business loan than G-SSG members (35.1%).
- Financial awareness on education loan is good among NGO SHG members (98.8%) compared to G-SSG members (91%). Majority of NGO SHG members (99.8%) had financial awareness on vehicle loan than G-SSG members (97.8%).
- Study finds that, all the members of NGO SHG (100%) had financial awareness on housing loan than G-SSG members (95.7%). Higher number of NGO SHG members (86%) had financial awareness on mortgage loan than G-SSG members (71.3%).
- Majority (79.8%) of NGO SHG members had financial awareness on personal loan than G-SSG members (75.6%). Highest number of NGO SHG members were aware of loan against time deposits as against G-SSG members (77.5%).
- Study finds that, 92.5% of NGO SHG members were aware of borrowing loan against insurance policy compared to G-SSG members (78.3%).
- Overall, members of NGO SHG had good awareness on banking product compared to G-SSG members, ($p=0.000^{*}<0.01$, HS).
- Association of demographic profile of respondents with awareness on Banking Products shows that, there was no significant difference between demographic profile and awareness on banking product such as, caste ($p=0.055>0.05$, NS); area of residence ($p= 0.893>0.05$, NS); type of family ($p= 0.533>0.05$, NS) and number of members in family ($p= 0.209>0.05$, NS).

16.2.5 Findings on respondents Financial Awareness on Insurance Products

- An examination of respondents revealed that 86.8% of G-SSG members and 96% of NGO SHG members had insurance policies. 56.6% respondents were partially aware and 9.7% were fully aware of single life insurance policy. More number of NGO SHG members had financial awareness on single life insurance policy compared to G-SSG members.
- From the study it was found that, majority of NGO SHG members (80.2%) had awareness on Double life insurance policy than G-SSG members (65.6%). There is no much difference among G-SSG and NGO SHG with regard to financial awareness on health insurance policy.
- Majority (89.2%) of respondents had no financial awareness on endowment policy. Financial awareness on annuity policy among respondents is also very low i.e., 90.4% respondents were unaware.
- Among G-SSG members, 41.6% had financial awareness on children's education policy and that of NGO SHG, 53.7% members had financial awareness.
- Majority (95.1%) respondents were totally unaware about term insurance policy, out of which 96.8% respondents belong to G-SSG and 93.5% respondents belong to NGO SHG.
- Examination on financial awareness towards Money back policy reveals that, G-SSG, 10.3% respondents were fully aware, and 72.5% were partially aware, and that of NGO SHG, 12.5% were fully aware, and 76.5% were partially aware.
- Majority (97.5%) of NGO SHG members had financial awareness on micro-insurance compared to G-SSG members (23.5%).
- Overall, there is high significance difference in the financial awareness on insurance product among NGO SHG members and G-SSG members as confirmed by Chi- square test $p=0.000<0.01$, HS. NGO SHG members possess good financial awareness on insurance products.
- Association of demographic profile of respondents with financial awareness on insurance products reveals that, financial awareness on insurance products is highly associated with their demographic profile.

16.2.6 Findings on respondents Financial Awareness on Post office products:

- Majority (51.3%) of the respondents had account in Post office, out of which 54% belong to G-SSG and 48.5% belong to NGO SHG. 27.5% G-SSG members were fully aware and 69.3% NGO SHG members were partially aware of Post office Saving bank account. 73.6% G-SSG members and 88.8% NGO SHG members had financial awareness on Post office Recurring deposit account. Majority of G-SSG members (92%) and NGO SHG members (95.2%) had financial awareness on Post office Fixed deposit account.
- Study found that G-SSG members (61.3%) had less financial awareness on Kisan Vikas Patra than NGO SHG members (43.3%). 25.7% G-SSG members and 10.7% NGO SHG members were not at all aware of Public Provident Fund. 43.8% of G-SSG members and 45.3% of NGO SHG members had financial awareness on Postal insurance.
- There was no significant difference between the towards financial awareness on National Savings Certificate as 43.3% G-SSG members and 46.5% NGO SHG members were unaware.
- Study finds that majority of G-SSG members (72.8%) and NGO SHG members (75.5%) has no financial awareness on Monthly Installment Scheme. Highest number of Respondents (99.2%) were aware of Sukanya Samruddi Yojana scheme.
- Investigation of the study reveals that, 41.3% G-SSG members and 18.5% NGO SHG members had no awareness on retirement schemes i.e., Atal Pension Yojana/ National Pension Scheme.
- Overall, there is high significant difference in financial awareness on Post Office products among SHG members, ($p=0.000<0.01$, HS).
- Demographic profile of respondents is associated with their financial awareness on Post Office products.

16.2.7 Findings on respondents Financial Awareness on Share market:

- Majority (95.8%) of G-SSG members and (91.8%) of NGO SHG members had very low financial awareness on Share market.
- There was no significant difference between financial awareness on mutual funds

among G-SSG members and NGO SHG as 92.9% were totally unaware.

- There was no significant difference between demographic profile and financial awareness on Share market and mutual fund with regard to, religion (p= 0.170>0.05, NS); type of family (p=0.627>0.05, NS); number of members in family (p=0.838>0.05, NS); number of dependents in family (p=0.905>0.05, NS).

16.2.8 Findings on respondents Financial Awareness on Other avenues:

- All the respondents had financial awareness on other avenues of saving and investment such as SHG, Gold, and pigmy.
- Association of demographic profile of respondents with financial awareness on other financial avenues is significant with regard to type of family, occupation, source of income.

16.2.9 Overall financial Awareness of respondents:

- Overall Financial awareness among G-SSG and NGO SHG members shows that 83.6% respondents were moderately aware and 3.3% respondents were fully aware. There is significant improvement in the level of financial awareness among the members of G-SSG and NGO SHG. NGO SHG members had good financial awareness compared to G-SSG members.
- Association of demographic profile of respondents with the overall financial awareness parameters observes that, age group, education, marital status, number of dependents, occupation, source of income, monthly income and decision maker in family had significant difference among the members of G-SSG and NGO SHG.

16.2.10 Findings on Financial Literacy Programs and FLC's

- Examination of respondents' information reveals that, they have good awareness on financial literacy programs conducted by various authorities. 93.5% of G-SSG members, and 77.6% of NGO SHG members possessed good awareness on financial literacy programs conducted.
- Majority of G-SSG members (95.2%) and NGO SHG members (83.5%) had no awareness on existence of FLC's. There was significant difference between members of G-SSG and NGO SHG with regard to awareness on FLC's (p=0.000*<0.01, HS).

16.2.11 Findings on awareness of members towards Financial Literacy programs conducted

- 48.5% of the total respondents reported that financial literacy programs were conducted by Government and 45.6% respondents reported that programs were conducted by banks, 41.8% respondents reported that NGO's conducted financial literacy programs.

16.2.12 Findings on Channels used by respondents to understand financial products and services

- Majority (64.4%) of the respondents get information on financial products and services from friends and neighbors. 47.8% respondents opined that they approach banks, 40.8% use newspaper magazine and radio to understand financial products and services. 39.4% respondents reported that attending financial literacy camps and programs will help in understanding financial.

16.2.13 Findings on Respondents Level of Financial Literacy

- 4.1% of the respondents agreed that they are financial literates, 19.1% agreed that they are partially financial literate and 43.3% respondents have given undecided opinion. However, there was significant difference observed between members of G-SSG and NGO SHG and is statistically confirmed. NGO SHG members were more financially literates than G-SSG members, ($p=0.000^{*}<0.01$, HS).

16.2.14 Findings on how respondents perceived a financially literate person

- Respondents reported that an individual is considered as financially literate, if he/she prioritizes savings (74.6%), easily operates bank account (56.8%), has good financial knowledge (51.4%), prepares budget (30.4%), understands interest rates (29.9%). Majority of G-SSG members (69.8%) agreed that, ease of bank account operation has an impact on a person's level of financial literacy.

16.2.15 Findings on Factors affecting Financial Literacy of SHG members'

- Respondents reported following as their problems in gaining financial literacy- low income (74.1%), low education (57%), family problems (22.1%) and gender inequality (16.3%). There was no significant difference observed between G-SSG and NGO SHG members with regard to the problems faced in gaining financial literacy.

Part III

16.3 Findings on Economic Empowerment:

- Wilcoxon signed rank test result showed that there is significant improvement in economic empowerment among members of G-SSG ($p=0.000<0.01$, HS) and NGO SHG ($p=0.000<0.01$, HS). G-SSG members and NGO SHG members had good improvement in their economic condition after joining SHG with mean value 3.40±0.39 and 3.52±0.29. Mann Whitney test results showed that there is significant improvement in the economic empowerment among G-SSG and NGO SHG members after joining SHG, (4.752, $p=0.000<0.01$, HS).

- Respondents agreed that after joining SHG, ownership of the house improved from 63.6% to 77.5%; all the respondents had electricity facility in their house. 42.6% of the total sample respondents were able to have own well or borewell facility and 56.6% were able to get tap water facility after joining SHG; 45.1% of the respondents owned two-wheeler, 29.3% of the respondents owned Autorickshaw, 27.3% of the respondents were able to own other vehicles such as motor car, tractor, harvesters, jeeps, pick up vehicles.

16.3.1 Findings on Participation of women SHG members in taking Financial decisions-

- There is significant improvement among the members of G-SSG ($p=0.000<0.01$, HS) and NGO SHG ($p=0.000<0.01$, HS) with regard to participation in taking business-related decisions after joining SHG and the same is confirmed by Mann Whitney test, ($Z= 3.895$, $p=0.000<0.01$, HS). Decisions are taken after consulting with all interested parties.

- Members among the members of G-SSG ($p=0.000<0.01$, HS) and NGO SHG ($p=0.000<0.01$, HS) after joining SHG with regard to participation in taking decisions related to borrowing loans and the same is confirmed by Mann Whitney test, ($Z= 2.041$, $p=0.041<0.05$, Sig).

- The study finds no significant improvement between the members of G-SSG and NGO SHG after joining SHG with regard to participation in taking decisions related to repayment of loans as confirmed by Mann Whitney test, ($Z= 0.527$, $p=0.598>0.05$, NS).

- There is no significant improvement between the members of G-SSG and NGO SHG after joining SHG with regard to participation in taking decisions related to investment and savings as confirmed by Mann Whitney test, (Z= 1.716, p=0.086>0.05, NS).

16.3.2 Findings on Educational empowerment of respondents

- There is significant change in educational empowerment between members of G-SSG and NGO SHG. NGO SHG members had very good educational empowerment after joining SHG with mean value 4.15±0.36 than G-SSG members mean value 3.90±0.38 as confirmed by Mann Whitney test p=0.000<0.01, HS.
- Association of demographic variables with educational empowerment reveals that, caste, area of residence, education and decision maker at home are the demographic variables which shows significant impact on educational empowerment of SHG members.

16.3.3 Findings on Social empowerment of respondents

- There is significant improvement in the social empowerment between members of G- SSG (mean value 3.83±0.39) and NGO SHG (mean value 3.93±0.25). NGO SHG members had good social empowerment after joining SHG than G-SSG members as confirmed by Mann Whitney test Z=4.200, p=0.000<0.01, HS.
- Association of demographic variables with social empowerment reveals that, age group, religion, caste, area of residence, education and occupation of respondents are the demographic variables which shows significant impact on social empowerment of SHG members.

16.3.4 Findings on Political empowerment of respondents

- There is significant improvement in the political empowerment between members of G-SSG (mean value 3.75±0.40) and NGO SHG (mean value 4.03±0.41). NGO SHG members had very good political empowerment after joining SHG than G-SSG members as confirmed by Mann Whitney test Z=10.413, p=0.000<0.01, HS.
- Association between demographic profile and political empowerment variables examine that, caste, education, family size and occupation of respondents are the demographic variables having significant impact on political empowerment of SHG members.

16.3.5 Findings on Problems encountered as member of SHG

- As per investigation of the problem, 46.9% of the total respondents found meeting time inconvenient and 40.3% reported that their inconvenience in attending the training program.
- Low income (88.3%) and low confidence (44%) were the two major problems in economic empowerment of women as reported by sample respondents.

16.3.6 Findings on Correlation

- There is positive correlation between Financial Literacy components and Financial Behaviour which contributes towards empowerment of SHG members, as r= 0.710.
- Multiple Regression analysis reveals that Financial Literacy components have 67.6% influence on Financial Behaviour; 11.2% influence on Economic Empowerment; 21.7% influence on Educational Empowerment; 18.6% influence on Social Empowerment and 19.1% influence on Political Empowerment of SHG members.

Part IV

16.4 Findings on Hypotheses Testing

- **Hypothesis** H_1: There is significant improvement in the level of financial awareness among the members of G-SSG and NGO SHG after joining SHG. Test results reveal that there was high significant improvement in the level of financial awareness among members of G-SSG and NGO SHG with $p=0.000<0.01$, HS. H_1 is accepted.
- **Hypothesis** H_2: There is significant change in the financial behaviour of SHG members after joining SHG. Test reveals that there was significant change in financial behaviour between G-SSG and NGO SHG members with mean value 3.91±0.38 and 3.82±0.34 which is good and positive sign. Mann Whitney test results showed that there is high significant change in financial behaviour of SHG members after joining SHG with $p=0.000<0.01$, HS and therefore Hypotheses, H_2 is accepted.
- **Hypothesis** H_3: There is significant improvement in the level of financial attitude among the members of G-SSG and NGO SHG after joining SHG. Test results reveal that there is improvement in the level of financial attitude among members of G-SSG (mean value 3.85±0.40 which is good) and NGO SHG (mean value 3.83±0.36 which is also good) with $p=0.000<0.01$, HS. Hypotheses, H_3 is accepted.

- **Hypothesis** H_4**:** There is positive change in the financial knowledge and skill of G- SSG and NGO SHG members after joining SHG. Wilcoxon signed rank test reveals that there is no significant change in financial knowledge and skill between G-SSG and NGO SHG members with mean value 3.09±0.56 and 3.05±0.44. Mann Whitney test results showed that there is high significant change in financial behaviour among the members after joining SHG with p=0.000<0.01, HS). H_1 is accepted.

- **Hypothesis** H_5: There is significant improvement in the economic condition of SHG members after joining SHG. Test reveals that there is significant improvement in the economic condition among the members of G-SSG (mean value 2.99±0.85 which is moderately good) and NGO SHG (mean value 3.46±0.35 which is good) after joining SHG with p=0.000<0.01. H_1 is accepted.

- **Hypothesis** H_6: Financial Literacy has significant impact on Financial behaviour. Path analysis reveals that, financial literacy components has significant impact on financial behaviour with beta β= 0.86, p= 0.000. Therefore, Hypotheses H_6, is accepted.

- **Hypothesis** H_7: Financial behaviour has significant impact on economic empowerment, educational empowerment, social empowerment and political empowerment. Results reveal high significant impact of Financial behaviour on empowerment variables. Therefore, Hypotheses H_7: Financial behaviour has significant impact on economic empowerment, educational empowerment, social empowerment and political empowerment is accepted.

- **Hypothesis** H_8: Age moderates the relationship between Financial Literacy and Financial Behaviour. From the results, it is very clear that, age of the respondents significantly moderates the relationship between Financial Literacy and Financial Behaviour, and hence, Hypotheses, H_8 is accepted.

- **Hypothesis** H_9: Education moderates the relationship between Financial Literacy and Financial Behaviour. Results of the study observed that, educational qualifications of the respondents significantly moderates the relationship between Financial Literacy and Financial Behaviour. H_9 is accepted.

- **Hypothesis** H_{10}: Age moderates the relationship between Financial Behaviour and Empowerment. Study observed that, Age of the respondents moderates the

relationship between financial behaviour and Empowerment of the respondents, so H_{10} is accepted.

- **Hypothesis H_{11}:** Education moderates the relationship between Financial Behaviour and Empowerment. Results of the study finds educational qualification moderates the relationship between financial behaviour and Empowerment of the respondents. Therefore, H_{11} is accepted**.**

17. Suggestions:

The study on Financial Literacy among members of SHG's and economic empowerment of women in D.K. District was conducted among members of G-SSG and NGO SHG. Based on the findings of the study, following suggestions have been made. The suggestions are divided into four parts- Suggestions to Respondents, Suggestion to G-SSGs, Suggestions to NGO SHG, and General suggestions to financial institutions:

(a) Suggestions to Respondents:

- **Loan money only for income earning activities:** Members should use SHG financial assistance with the sole purpose of using it for income generating activities. 'SHGs use 60-70% of loans for personal, family purposes', (KEA Report, July-2022). Members should focus on and prioritise at least one revenue-generating activity. Members who borrow for consumption purposes may fall into a debt trap.
- **Members personal interest in upgrading knowledge:** Enhancing financial literacy of an individual depends on one's personal interest. Members must come forward, prompted by their own curiosity to improve their awareness on financial products and Government schemes. They should also be motivated to share their awareness with other SHG members. Such awareness can be used for self-development and development of the economy.
- **Membership:** Individuals having memberships in more than one group should be discouraged. SHG leaders must take strict action to avoid duplication of memberships so that the benefits from SHG reach the public at large.
- **Compulsory attendance to SHG meeting and training programs:** Members should always attend SHG meeting. Members should also be familiar with groups members and activities related to the group. Members should be encouraged to

attend training programs that are provided free of cost as training programs enhance entrepreneurial skills and builds confidence among the members.

- **Upgradation of practical knowledge on modern financial services:** Members should be able to easily upgrade their knowledge on availing modern financial services through mobile phones or E-banking facilities which are easily accessible.
- **Visit FLCs or CCCs:** Members should visit knowledge enhancing centres to keep themselves upgraded about new financial schemes and allied benefits.
- **Draft annual financial plan:** Members should prepare annual plans for savings and investment. This would help them to review their progress at the end of the year.
- **Members should not seek political influence:** SHG members should not be influenced by political factors or leaders in the group because it can have a negative impact on the functioning of the group.
- **SHG members must increase awareness on Central Government schemes** which are cost effective and highly beneficial. Schemes such PMSBY, PMJJBY, APY/NPS, Ayushman heath scheme, credit schemes and other women led indicatives.

(b) Suggestions to Government SSG:

- **Compulsory attendance for group meetings and Training Programs:** Government SSGs must frame strict rules regarding members not attending group meetings and training programs on regular basis. Members usually attend meetings or training programs when they have credit needs. This should not be encouraged. Therefore, detailed guidance on the importance of attending group meetings and training programs must be given to all members in the initial stage.
- **Democratic management:** Government SSGs are advised to give equal opportunity to all the members so as to participate in the management of the group. Anganawadi workers should delegate the authority of leading the group independently to other members, so that members build confidence to take up the responsibility of managing and supervising the group.
- **Foundational understanding:** SSG leaders must ensure that members have basic

knowledge about the group such as bank in which the group has account, interest rate on loan, maintaining and recording the information in books and registers, consequences of non-payment of interest on loan or loan amount by other members of group, and also information about all the members in the group. This helps them to be confident and take active part in important issues related to the group.

- **Annual financial plan:** Initially when members join Government SSGs, they should be advised to pen down their yearly plan on savings and investment. At the end of the year, review meeting on yearly plan of members must be conducted. This would help members to have an idea about strategizing for long term and short-term financial needs.

- **Training programmes must help members become job providers:** Training program conducted by Government SSGs must concentrate on helping members to be job provider's rather than job seekers. This will assist in creations of jobs which is very important for achieving economic stability in the country. Members should also be given information on Youth certified training programs conducted by the Government, which can be beneficial to them, their family members, friends and relatives.

- **The training programme must impart knowledge of risks and returns associated with financial product:** Training program must concentrate on enhancing awareness on financial products offered by financial institutions. Focus must be also made on practicing the use of modern financial services. Members are aware of modern financial products, but they lack knowledge about practical applications of the same product. Members must have a clear understanding of risks and returns associated with their savings and investment.

- **Training initiatives must be designed to influence members' financial behaviour:** Training conducted by SSGs should aim at bringing progressive change in financial behaviour of members towards making financial decisions, in giving financial suggestions to others, planning for emergency funds to reduce financial stress, etc.

- **Government credit product availability and women centric programs must be better publicised.** SSGs must improve awareness on subsidy-oriented loans provided by the Government. These may be availed by members to involve in businesses such as animal husbandry, or other small-scale endeavours. Information on concessional

loans or interest free loans, knowledge on various women centric schemes etc. must be provided to women SSG members. Information on these schemes must be shared among all the members during group meetings. There is an urgent need to create awareness of schemes such as, Kayaka scheme, Mudra loan, retirement plans, short-term, and medium-term business loans, etc. about which members lack awareness.

- **Awareness on Government's certified employability training programme:** SSGs must encourage members to attend training programs organised by SSGs and also certified training programs by Government institutions free of cost or at nominal cost.
- **Strategies to increase membership:** Government must take suitable strategies to reach more and more members and try to improve as well as increase the number of members as membership numbers are comparatively less than NGO SHG's. Efforts must also be made to maintain the existing number of members.
- **Apprising of Government websites**: Government should also update details of various schemes in the website, giving accurate statistics on availability of schemes, utilisation details and the reviews of people. This information will be beneficial as it would give a review on utilisation of these schemes.
- **Social outreach programs for improving Financial Literacy:** Efforts must be made by Government to improve the financial literacy of women. Women below the age group of 30 can easily understand financial literacy programs through various media. Improving the level of financial literacy among people above thirty years of age is challenging. Improving financial literacy of marginalised groups can be taken as a social outreach program during rural exposure camps of undergraduate/post graduate students.
- **Online expert advice:** Government should think of providing online expert advice free of cost especially to people residing in rural areas or to marginalised sections of society. The information regarding the same must be given to SHG members during group meetings, through radios or local channels in television.
- **Mobile phone to improve financial literacy:** Mobile phones are widely used by people all over the world. Therefore, mobile phones can be one of the most influential tools to train and educate individuals on various financial and social issues. The number of people using mobile phones in India was more than 1.15 billion as of 2021, (Sun, S. 2022). Government should also look into network related issues especially in rural areas.

- **Securing modern financial services:** Government, along with other financial sectors should focus on providing secure modern financial services which would help in building public confidence. This can provide avenues to a greater number of people to take up digital transactions.
- **Political influences should not interfere with SHG operations:** The Government must prioritise the economic well-being of SHG members. To achieve the goal of SHG formation, political parties must be kept out of SHG.
- **Administration of SSG:** Government must improve the administration of SSG and also focus on supervising the SHG members. Reasons for low membership in G-SSG must be found. Supervisors of the G-SSG must not be loaded with other additional works. Reports and record maintaining is too much in G-SSG, it is advised to maintain electronic records.

(c) Suggestions to NGO SHG's (SKDRDP):

- **Practical financial product training programs:** Members' awareness on digital financial products and services was found to be average in the study. Therefore, members should be given practical training or education on using digital products and services which will be gainful for their inclusive development.
- **Members must be influenced by the training programs to become employed or self-employed:** NGOs have training centres in each taluk which trains SHG leaders, supervisors, and members. The training program should help SHG members to be employed in organised sector or to be self-employed. NGO's must focus on members who are housewives and give them training to take up productive activities which can be done at their residence, and help them to spend their leisure time productively.
- **Training programs need to put a greater emphasis on enhancing members' financial knowledge, behaviour, attitude, and skills.** NGOs in association with FLCs can take up strategies to improve financial literacy among members on various financial products.
- **Minimum membership:** It is recommended that NGO SHG's have groups of at least 10–12 people in order to foster cooperation, communication, and confidence among participants.

- **The quarterly Awareness Program in small groups:** SHG members are asked to attend "Okkoota Sabhe" once in three months. Okkoota Sabhe is article awareness program conducted for SHG members by supervisors. Attending awareness programs must be made compulsory for all members. It is advised to conduct awareness programs in small groups and information discussed is both theoretical and practical in nature.
- **Financial awareness on financial avenues:** NGOs provides health insurance and retirement fund scheme facilities to members. Members have very good awareness on health insurance scheme but they lack information and interest in retirement schemes. SHG trainers must focus on educating and changing financial attitude of members on retirement schemes of NGOs or Government retirement schemes which are available for the poor and weaker sections of society.
- **SHG meeting must be knowledgeable:** There is a lack of awareness among members about various women centric schemes and facilities offered by the Government and NGOs. Therefore, SHG leaders must focus on improving awareness by making the members explain about at least one scheme during the group meetings on rotation basis. As SHG meetings are conducted regularly, quality of meetings in terms of information provided and discussed must be balanced appropriately.
- **Knowledge on general working of the group:** Some of the respondents were not mindful of the name of banks in which they had deposit accounts or loan accounts. It was suggested to NGO SHG that women members should be given chance to speak in group meetings about the general information to improve their communication and social skills.
- **Compulsory attendance at group meetings:** SHG members must attend all meetings and training programs regularly. Participation in SHG meetings must be made compulsory. This makes members more confident, aware and responsible.
- **Interest free or concessional loans:** Government should introduce interest free loan or concessional interest loan schemes to families which are below the poverty line. This would give scope for poor people to fulfil their financial needs.

(d) General Suggestions: General suggestions are given to FLC's and other financial institutions as follows;

Suggestions to FLC's:

- **High-tech progress in technology:** Advancement in technology has made the savings and investment simpler for educated people. People with low education may need some additional practical knowledge on usage of modern financial products and services. Therefore, FLC's must plan strategies to suit the requirements of different types of people with different demographic profiles.
- **Awareness on existence of FLC:** Rural people and also majority of urban people are not at all aware about the existence of FLCs. Therefore, it is very important to create awareness on existence of FLCs and the services offered in both rural and urban area.
- **Awareness on financial literacy applications:** Financial literacy applications (Apps) are available, but poor people are not aware and it is useless for a low educated individual. Financial products or services which are useful for poor people must be advertised in regional or national languages to reach all the people. This can be achieved through FLCs.
- **Lead bank officials should Promote Research:** Lead Bank and FLCs must provide details regarding their contribution towards development of people. Information regarding activities conducted, statistics on number of welfare programs conducted, etc. should be revealed to public and researchers. Lead bank staff members must give a welcoming feel to visitors. Lead banks and FLC's must promote research by giving necessary information.
- **Update the website:** Lead Bank and FLC's should update the information on financial literacy awareness programs conducted in a website for the information of public. The information provided must give statistics of the number of people attending the program, topic of discussion and total programs conducted in the year.
- **Conducting Quiz or group programs or giving awards:** The awareness on existence of FLC is very low among the educated as well as the uneducated, Authorities should first concentrate on improving awareness among people about existence of FLCs. Every month, quiz group programs, etc. should be conducted to get recognition from public about FLCs. FLC can also think of awarding the 'Best

SHG' on the basis of its contribution towards economic development.

- **Knowledge on modern banking services:** SHG members tend to have good awareness on traditional financial products. It is important to make them aware of modern financial products and services as well. Majority of the respondents were aware of some modern services by name but they had not used such services (like NEFT, google pay, credit cards, no frills account, debit cards, loan products, postal insurance, and health insurance). Therefore, FLCs must rigorously think about giving practical training and also keeping the respondents updated about new schemes and products.
- **Quality based financial education:** Financial institutions of banking sector, insurance sector, post offices and other financial institutions must come forward and plan their own initiatives to enhance quality based financial education giving special preference to women.

Suggestion to Financial institutions like Banks, Post Offices, Insurance companies and others

- **Improve awareness on modern financial services:** SHG members had good awareness on traditional financial products. It is important to make them aware of modern financial products and services. Majority of the respondents are aware of some modern services by name but they have not used such services (like NEFT, google pay, credit cards, no frills account, debit cards, loan products, postal insurance, health insurance). Therefore, financial institutions must rigorously think about giving practical training and also keeping the respondents updated about new schemes and products.
- **Plan initiatives:** Financial institutions like banking sector, insurance sector, post offices and other financial institutions must come forward and plan their own initiatives to enhance quality based financial education giving special preference to women.
- **Staffs working in financial institutions should be approachable**: Financial institutions must promote research and encourage researchers by providing required information and assistance through friendly gesture.

18. Scope for Future Research

The primary objective of this study was to evaluate the level of financial literacy among G- SSG and NGO SHG members, and also to assess the impact of financial literacy on economic empowerment of women. Therefore, this research study would expand the scope for future research in areas relevant to the study. The following areas can be considered for further research;

- Study can also be made on measuring the level of financial literacy among men and women members of SHG's through which the factors responsible for gender gap can be identified.
- This study is restricted only to SHG's in D.K. district. As part of further research, supplementary studies can be assumed in various other districts or amid two districts as a comparative study, to determine the improvement of SHG's and their contributions towards economic empowerment of women.
- Demand side barriers and supply side barriers of financial education programs may vary from region to region. Therefore, it is very important to evaluate and understand these issues region wise, and then frame the required strategies. These studies would surely help the Government to understand basic problems and implement the suitable strategy.
- Digital literacy among G-SSG and NGO SHG can help financial institutions and non-financial institutions to frame policies to reach the vulnerable sections of society as most of the financial products and services are available through digital appliances.
- Study can also be taken up on applications of SHGs and Business correspondent model in D.K. District.

19. Conclusion:

A fundamental life skill that is necessary for daily life is financial literacy. Understanding the components of financial literacy, such as financial awareness, financial attitude, knowledge, and skills, will assist in achieving life goals like education, savings, investing, building assets, and a fulfilling retirement. Financial behaviour will be influenced by financial literacy parameters, which helps one live a financially satisfied life. Low financial literacy results in huge debt, mismatch of budget, low income, and high expenses. It also creates victims of fraud and low savings.

The present study observed that SHGs managed by Government (G-SSG) and SKDRDP (NGO SHG) were successful in achieving the objective of empowering rural poor, especially women. Selected sample respondents had very good knowledge and awareness on the functioning of SHGs and record maintaining as most group related works were shared among the members on rotation basis. There is a significant change observed in the study with regard to contribution of members in financial decision making, ownership of house and other assets, improvement in savings and borrowing loan for consumption and economic activities. All these findings express that there is economic empowerment of women after joining SHGs. Participation of women in social activities and mobility and also awareness on social issues in society improved after becoming members of SHGs. Participation in training and awareness programs has improved the education status and has politically empowered women. After joining SHGs, members have also improved their financial awareness, financial behaviour, financial attitude, financial knowledge, and skill which has also contributed towards their overall economic empowerment.

Overall, NGO-SHG's are doing very well with large number of members in D.K. district and a good number of man power to supervise their activities than G-SSGs. Government SSGs lack continuous supervision and follow up. Study revealed that overall economic stability improved and family as well as business-related financial problems reduced especially of those pertaining to members of SHGs selected for the study.

Women, being part of a marginalised section, must come forward to improve their financial literacy. The present study was undertaken with the primary objective of assessing the level of financial literacy among members of SHGs in D.K. district and status of their economic empowerment. Respondents' financial awareness, financial behaviour, financial attitude, and financial knowledge and skills were assessed and it was observed that SHG members had low levels of financial literacy before joining SHGs. SHGs have given their members, particularly women, a platform for information sharing that has helped them become more financially literate and has also aided in their economic empowerment. SHG meetings, training programs and other social programs have empowered women and other marginalised groups. The study found that after joining SHG, women who were members of SHGs began to gradually drift away from a fulfilled and happy life. SHGs have given them more self-assurance, improved communication, and most importantly empowered members financially.

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